

## Boat/Watercraft Dealers and Marinas Taxability Information Guide

The taxability of sales and purchases of tangible personal property and labor services by companies in the Boat/Watercraft Dealers and Marina's Industry are summarized below. This list is not all-inclusive.

### Purchases by Boat/Watercraft Dealers and Marinas :

Kansas sales or compensating use tax applies to those purchases identified or designated as taxable in the chart below. The applicable Kansas sales or Kansas consumers' compensating use tax must be paid to the vendor or accrued and remitted directly to the Kansas Department of Revenue. Purchases from Kansas vendors may be reported using the retailers' sales tax return. Purchases from outside this state which are delivered to this state are to be reported on the Kansas consumers' compensating use tax return.

Purchases	Taxable or Exempt
Equipment used to service boats and/or trailers such as boatlifts, engine hoists, tools and associated equipment.	Taxable
Boatyard equipment including but not limited to powerboat and sailboat stands, covered structures.	Taxable
Dock accessories including de-icers, water, agitator systems, fish cleaning stations, portable toilets lights and ladders.	Taxable
Repairs and maintenance to existing buildings, and existing covered structures.	Taxable
Dock and docking systems.	Taxable
Maintenance/repair of motor vehicles and accessories including lifts and other mechanical equipment.	Taxable
Educational materials, posters, maps or other literature	Taxable
Uniforms and shop apparel	Taxable
Motor vehicle fuel (gas & diesel) purchased for off road use when purchased without paying the motor fuel excise tax. This includes fuel in which the motor fuel tax (road tax) has been refunded to you.	Taxable
Merchandise purchased for resale or rental to customers, including freight or delivery charges.	Exempt
Merchandise withdrawn from resale inventory for store use or consumption (including for use during instructional classes).	Taxable
Tangible personal property to be given away or donated (Items that are given away or donated to a tax exempt entity are not subject to sales tax).	Taxable
Complimentary items such as bottled water, soft drinks, coffee, creamer, sugar, cups and stir sticks, and candy.	Taxable
Promotional items, including but not limited to, calendars, mugs, pens and items of clothing.	Taxable
Freight or delivery charges, billed by the vendor, on purchases subject to sales/use tax.	Taxable
Reference books and materials, newspaper and magazine subscriptions, forms, printed matter (including promotional brochures, etc.), business cards, notepads, etc.	Taxable
Office supplies such as office forms, staplers, paper, pens, pencils, labels, ink, toner and ribbon cartridges.	Taxable
Laptop and desktop computers, copiers, printers, fax machines, calculators, telephones and other similar equipment.	Taxable
Furniture and fixtures, including but not limited to, desks, lights, tables, chairs, plants, planters, artwork and signs.	Taxable
Shelving, display racks, checkout counters, storage cabinets, display cases, bar code scanners, cash registers, cash register supplies, bins, boxes, etc.	Taxable
Break room supplies such as microwaves, refrigerators, tables, chairs, and paper products.	Taxable
Equipment included, but not limited to, motor vehicles, hydraulic equipment, dollies, ladders, batteries and chargers, fans, including the charges for repair and/or maintaining said equipment.	Taxable
Lease or rental of any tangible personal property such as copiers, fax machines, equipment, or vehicles.	Taxable
Parts and labor services of repairing, servicing, altering or maintaining tangible personal property, such as computers, printers, copiers and security equipment.	Taxable

Warranty or service agreements for tangible personal property such as computers, printers, copiers and security equipment.	Taxable
Printed materials such as catalogs and flyers distributed directly to customers at the store or mailed directly to customers or prospective customers through mailing or delivery service.	Taxable
Printed materials provided to a newspaper or other publication to be included as an insert in the newspaper or publication that is to be sold at retail.	Exempt
Signs, banners or posters purchased from an outside printer, or the costs of all materials if produced by the store.	Taxable
<b>Purchases continued</b>	<b>Taxable or Exempt</b>
Exterior building or parking lot signage, including charges for parts and labor for repairs and maintenance.	Taxable
Advertising as in newspapers, radio, or television.	Exempt
Professional services such as legal or accounting services.	Exempt
Canned software, software upgrades and labor services to modify, alter, update or maintain software.	Taxable
Customized software, software upgrades and labor services to modify, alter, update or maintain customized software. "Customized" software is software developed for a single end user.	Exempt
Software or databases accessed via the internet and not installed on owned or leased computers or servers.	Exempt
Labor services on <b>original construction</b> of a new building or facility.	Exempt
Labor services for repairs, maintenance and remodeling of <b>existing</b> commercial buildings or facilities.	Taxable
Security cameras, mirrors, security tags, tag detachers, countertop deactivators, all other security equipment.	Taxable
Security systems monitoring service.	Exempt
Cleaning services (except when applying products such as wax, scotch guard, etc.), plant watering and care.	Exempt
Janitorial supplies such as vacuums, carpet cleaners, sweepers, scrubbers, floor waxers, rags, and toiletries.	Taxable
Trash removal, shredding services.	Exempt
Linen services.	Taxable
Pest control materials and supplies.	Taxable

**Sales by Boat/Watercraft Dealers and Marinas :**

\*Sales/rentals to entities with proper exemption certificates provided are exempt from sales tax. Ensure the exemption certificates are retained to substantiate all non-taxed transactions.

Note: Kansas tax applies to the "gross receipts" from the sale of taxable goods or services in Kansas. Gross receipts include amounts collected from the customer such as charges billed for freight, delivery or special handling.

The taxability of sales of tangible personal property and labor services by Boat/Watercraft Dealers and Marinas is summarized below. This list is not all inclusive.

<b>Sales</b>	<b>Taxable or Exempt</b>
Boat Slip or vehicle/ trailer parking rental fees (separately stated)	Exempt
Retail sales of tangible personal property including snacks, beverages, boating equipment, maps, covers, towels, skis, lifejackets, fishing bait, fishing equipment, etc.	Taxable
Association membership fees when payment allows use of facilities for recreation or entertainment.	Taxable
Motor fuel dispensed to boats where the marina's fuel supplier has billed and collected the appropriate Kansas fuel excise tax.	Exempt
Association membership fees that include, and do not separately itemize a boat slip, boat maintenance or space rental.	Taxable
Sale of Boats, Trailers, 4 wheelers, wave runners, jet skis and all associated equipment, including brokering the sale, regardless of state of residency of purchaser when picked up at the dealership/marina.	Taxable

Sale of Boats, Trailers, 4 wheelers, wave runners, jet skis and all associated equipment, including brokering the sale, when delivered to the customer outside the State of Kansas. (Subject to other state taxing requirements)	Exempt
Winterization, summarization and general maintenance services of boats and trailers including battery charging.	Taxable
Repair painting, tune-ups, fiberglass and hull repair of boats and/or trailers	Taxable
Repair work done under a warranty (deductible portion paid by customer is taxable)	Exempt
Rental of Equipment including wave runners, ski equipment, boats, life vests, canoes, paddle boats and fishing equipment.	Taxable
Waxing, polishing and detailing services.	Taxable
Boat/trailer summer or winter storage fees. (When charges separately state from other taxable services including maintenance charges).	Exempt
Sale of Dock Box	Taxable